

DISBURSEMENTS – SUPPLY AND MATERIALS

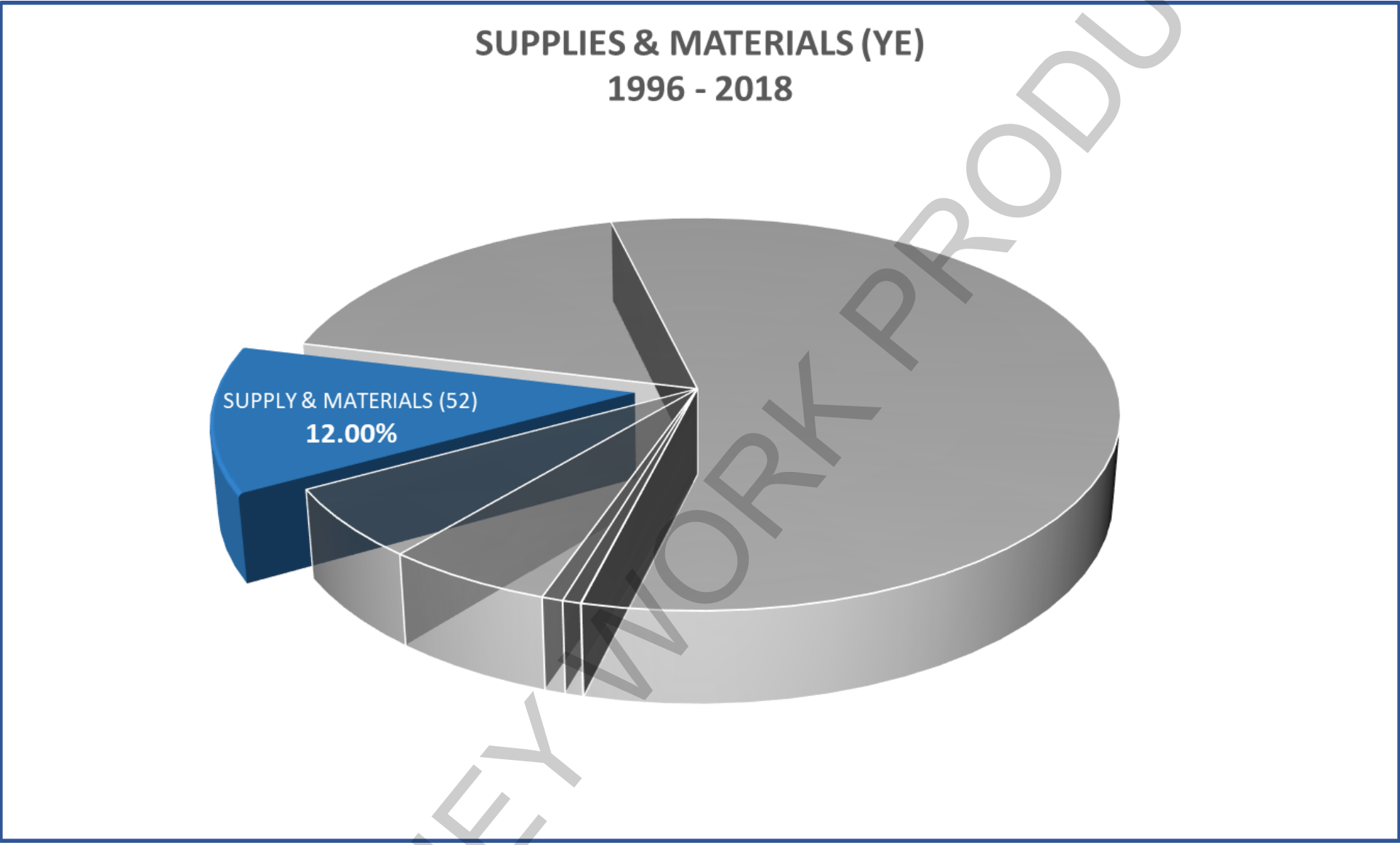
Origin of Information Analyzed:

- Schneider Downs and Co., Inc. (SD) obtained the December month-end MTD/YTD EXPENSE PERIOD REPORT (general ledger account summaries) for the years 1996 through 2018 from Karrie Martin – Fiscal Officer which capture both month-to-date and year-to-date expense totals for the City of Hilliard for all departments. Each general ledger account is unique as to the origin of the expense and associated department. The Fiscal Officer provided SD the reports in EXCEL format having extracted the information out of the Creative Microsystems, Incorporated (CMI) accounting system which is the City of Hilliard's system of record for financial capture and reporting.
- SD obtained the City of Hilliard population data for the period 1996 through 2018 from the MID-OHIO REGIONAL PLANNING COMMISSION (MORPC). SD obtained the data for the period 2010 through 2018 directly from the MORPC website at www.morpc.org. The MORPC website currently maintains data from 2018 back to 2010. Prior to 2010, data is maintained in 10 year increments to coincide with the census. Therefore, for the period 2009 back to 2001, SD obtained copy of the MORPC data from the Fiscal Officer. MORPC population data is used by the Finance Department to generate statistical tables in the Comprehensive Annual Financial Report (CAFR). As a result, MORPC data prior to 2010 was maintained on file by the Finance Department.
- SD analyzed the Recreation and Parks Department expenses beginning in 1996 in order to analyze trends in expenses prior to Heather Ernst's promotion to West Pool Manager in 2001.
- SD noted that prior to 2006, the CMI system is not capable of generated detailed expense or revenue reports. Per inquiry with the Finance Director and Fiscal Officer, in either 2005 or 2006, the City of Hilliard upgraded the CMI system from a DOS-based system to a Windows-based system. As a result, many accounts that exist prior to 2005 show no activity after 2005. Accounts with similar or identical descriptions, but with different account numbers, begin to show activity subsequent to 2005. Per inquiry with the Finance Director, this procedure was initiated during the set-up process of the upgraded CMI system in order to maintain a historical record of accounting data prior to the CMI upgrade.

Analysis Performed:

- To arrive at the general ledger accounts specific to the Recreation and Parks Department, SD requested a comprehensive list of all expense accounts attributed to Department 306 (Recreation and Parks) regardless of the fund to which the expense accounts were assigned.
- Having identified the Recreation and Parks disbursement accounts, SD extracted the from the MTD/YTD EXPENSE PERIOD REPORT the Recreation and Parks Department disbursement accounts and respective annual disbursement totals for the period 1996 through 2018 and combined the data into a single report.
- SD then extracted those accounts specifically identified as Recreation and Parks supplies & materials expense general ledger accounts, based on object code 52 (Supplies & Materials), for analysis. For comparative purposes, SD calculated the percentage of the Recreation and Parks Department supply & material expenses for the period 1996 through 2018 to be 12.00% (\$8,425,571.77) of the \$70,208,645.48 total disbursements made over the same time period based on data obtained from the CMI system.
- In analyzing annual supply and material expenses, SD identified an average annual increase of year-end supply and materials expense totals for the period 1996 through 2018 of 2.15%. SD identified a period of increased supply and material expenses for the period 1997 through 2004. These supply and material expenses are attributed to an increase in supply and material expenses recoded in the Park Maintenance Fund (fund 208), Heritage Dog Trail Fund (fund 231), and the Capital Improvement Fund (fund 304). The total supply and material amount expensed to these funds for the period 1996 through 2004 was \$759,481.69 compared to \$35,467.02 expensed for the period 2005 through 2018. SD identified a spike in the supplies & material expense in 1999 due to a \$116,556.63 annual expense recorded in account 208.306.52486 (P81 NEIGHBORHOOD PARKS). Due to the reporting limits of the CMI system, SD was unable to determine, specifically, the purpose of these expenses.

- SD performed a year-by-year comparison analysis of the City of Hilliard population and year-end supply and material disbursements for the period 1996 through 2018. From 1996 through 2018 the average annual supply and material disbursement increase was 2.15% and the corresponding annual average population increase was 3.41%.
- SD calculated a range of estimated year-end supply and material disbursements for the period 1996 through 2018.
 - SD estimated past year-end supply and material disbursements for the period 1996 through 2018 beginning with the year 2018 and working backward. SD used 2018 as the base year to calculate estimated year-end supply and material disbursements. To determine the 2017 estimated year-end supply and material disbursements, SD divided the 2018 actual year-end supply and material disbursements (\$252,353.29) recorded in the CMI system by 1.0702 (1 plus the City of Hilliard population increase for the period 2017 through 2018). The 2017 estimated year-end supply and material disbursement estimate was used to determine the 2016 estimated year-end supply and material disbursements by dividing the 2017 estimated year-end supply & material disbursements (\$235,794.37) by 1.062 (1 plus the City of Hilliard population increase for the period 2016 through 2017). SD repeated this process for each year back to 1996. SD calculated the estimated year-end supply & material disbursements for the period 1996 through 2018 to be \$4,112,242.67. SD compared the estimated year-end supply and material disbursements to the actual year-end supply and material disbursements of \$8,425,571.77 recorded in the CMI system; a variance of \$4,313,329.10.
 - SD estimated the year-end supply and material disbursements for the period 1996 through 2018 beginning with the year 1996 and working forward. SD used 1996 as the base year to calculate estimated year-end supply & material disbursements. This was as far back, historically, that year-end supply & material disbursements could be retrieved from the CMI system. To determine the 1997 estimated year-end supply and material disbursements, SD multiplied the 1996 actual year-end supply and material disbursements (\$259,589.22) recorded in the CMI system by 1.048 (1 plus the City of Hilliard population increase for 1996 through 1997). The 1997 estimated year-end supply and material disbursements was used to determine the 1998 estimated year-end supply and material disbursements by multiplying the 1997 estimated year-end supply and material disbursements (\$272,218.51) by 1.113 (1 plus the City of Hilliard population increase for the period 1997 through 1998). SD calculated the total estimated year-end supply and material disbursements for the period 1996 through 2018 to be \$9,035,134.53. SD compared the estimated year-end supply and material disbursements to the actual year-end supply and material disbursements of \$8,425,571.77 recorded in the CMI system; a variance of (\$609,562.76).



SD calculated the percentage of the Recreation and Parks Department supply & material expenses for the period 1996 through 2018 to be 12.00% (\$8,425,571.77) of the \$70,208,645.48 total disbursements made over the same time period based on data obtained from the CMI system.

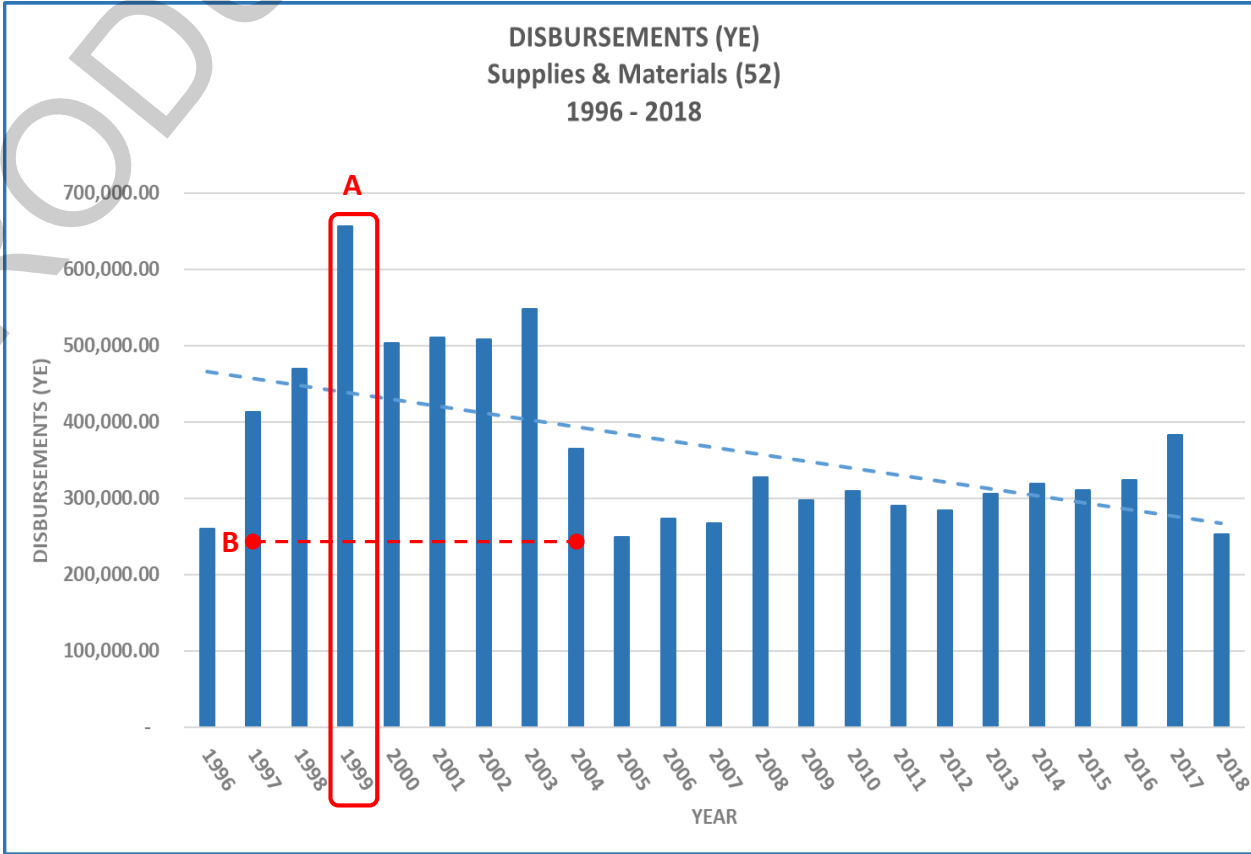
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense
Total Supp. & Mat. Disbursements:	259,589.22	413,265.02	469,755.22	655,947.23	503,775.48	511,029.17	507,898.37	548,129.34	364,920.92	248,792.13	272,937.45	267,056.72
%Δ in Supp. & Mat. Disbursements:		59.20%	13.67%	39.64%	-23.20%	1.44%	-0.61%	7.92%	-33.42%	-31.82%	9.71%	-2.15%

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	TOTAL
	327,827.84	297,088.44	309,168.10	289,923.89	284,370.52	305,526.94	319,629.74	310,205.23	323,538.78	382,842.73	252,353.29	8,425,571.77
	22.76%	-9.38%	4.07%	-6.22%	-1.92%	7.44%	4.62%	-2.95%	4.30%	18.33%	-34.08%	2.15%

In analyzing annual supply and material expenses, SD identified an average annual increase of year-end totals for the period 1996 through 2018 of 2.15%.

Account #	Account Description	1996	1997	1998	1999	2000	2001	2002	2003	2004
		YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense
208.306.52362	Tree Contract (Remo									
208.306.52482	Senior Misc. Equip.	1,179.41	2,403.14	985.00	3,100.47	-	-	-	-	-
208.306.52483	MISC PARKS		44,422.51	-	-	-	-	-	-	-
208.306.52484	P12 Park Equipment		-	1,969.29	-	2,257.49	-	-	-	-
208.306.52485	P34 Municipal Pools		-	24,050.89	-	-	-	-	-	-
208.306.52486	P81 Neighborhood Pa		-	42,288.90	116,556.63	17,788.58	10,189.16	-	35,103.27	34,750.68
208.306.52487	P95 Tinapple Park L		-	10,270.00	20,000.00	-	-	-	-	-
208.306.52488	P96 Hamilton Park		-	14,834.00	-					
208.306.52500	FIRST RESPONDERS PA									
208.306.52501	DORA									
208.306.52710	HERITAGE TRAIL									
208.306.52900	AMENDED BUDGET									
231.306.52179	Heritage Trail - Mi									
304.306.52484	P12 Park Equipment			-	27,049.91	-	-	-	-	-
304.306.52485	P34 Pools			-	35,745.64	-	-	91,070.39	147,871.94	26,344.05
304.306.52486	P 35 -- Sr. Center				-	-		-	-	-
304.306.52487	P127 Community Cent						26,958.41	20,000.00	-	-
304.306.52488	P125 Bridge of Scio						-	-	-	-
304.306.52489	Gateway Beautificat						3,471.34	-	-	-

C SD footed the total of funds 208, 231,and 304 for the period 1997 through 2004. The total amount of disbursements for this period was \$759,481.69

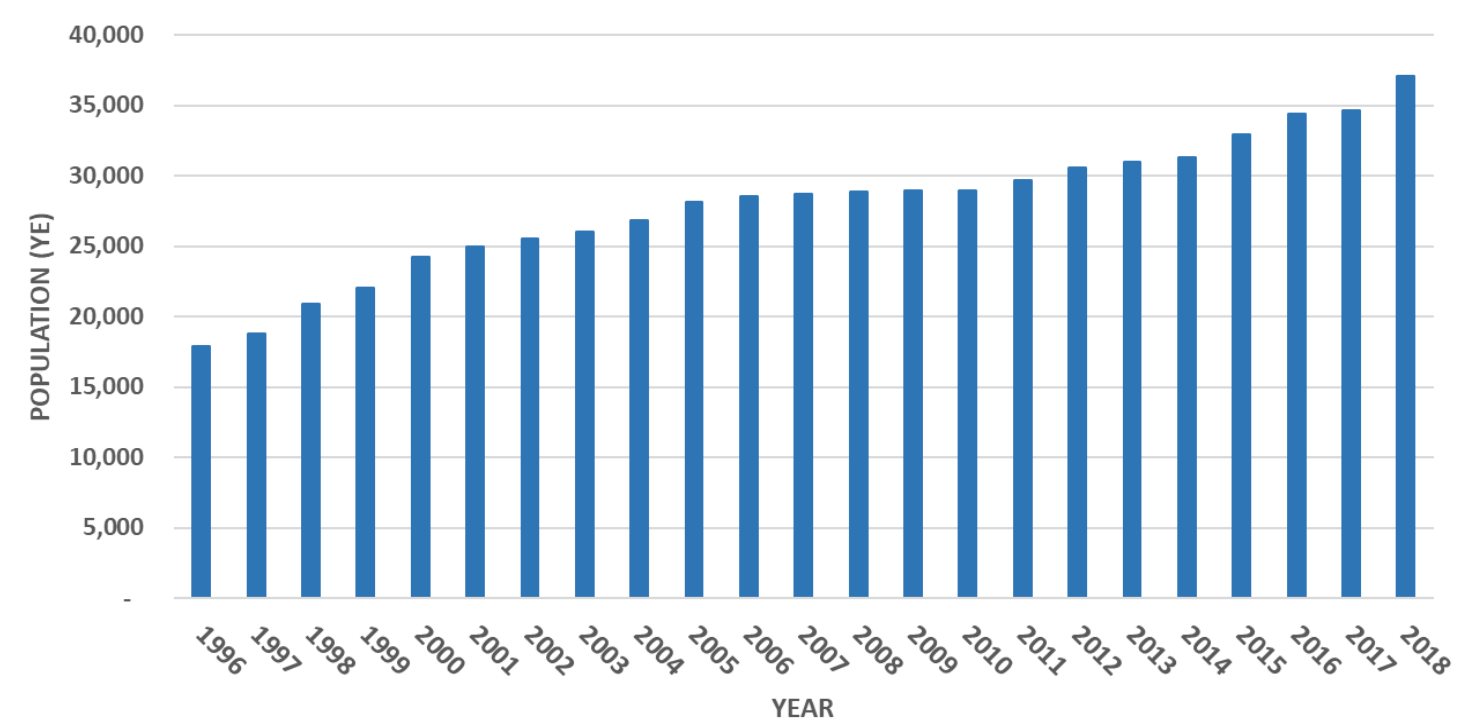


SD identified a spike in the supplies & material expense in 1999 [A] due to a \$116,556.63 annual expense recorded in account 208.306.52486 (P81 NEIGHBORHOOD PARKS). Due to the reporting limits of the CMI system and the change in personnel since 1996, SD was unable to determine, specifically, the purpose of these expenses.

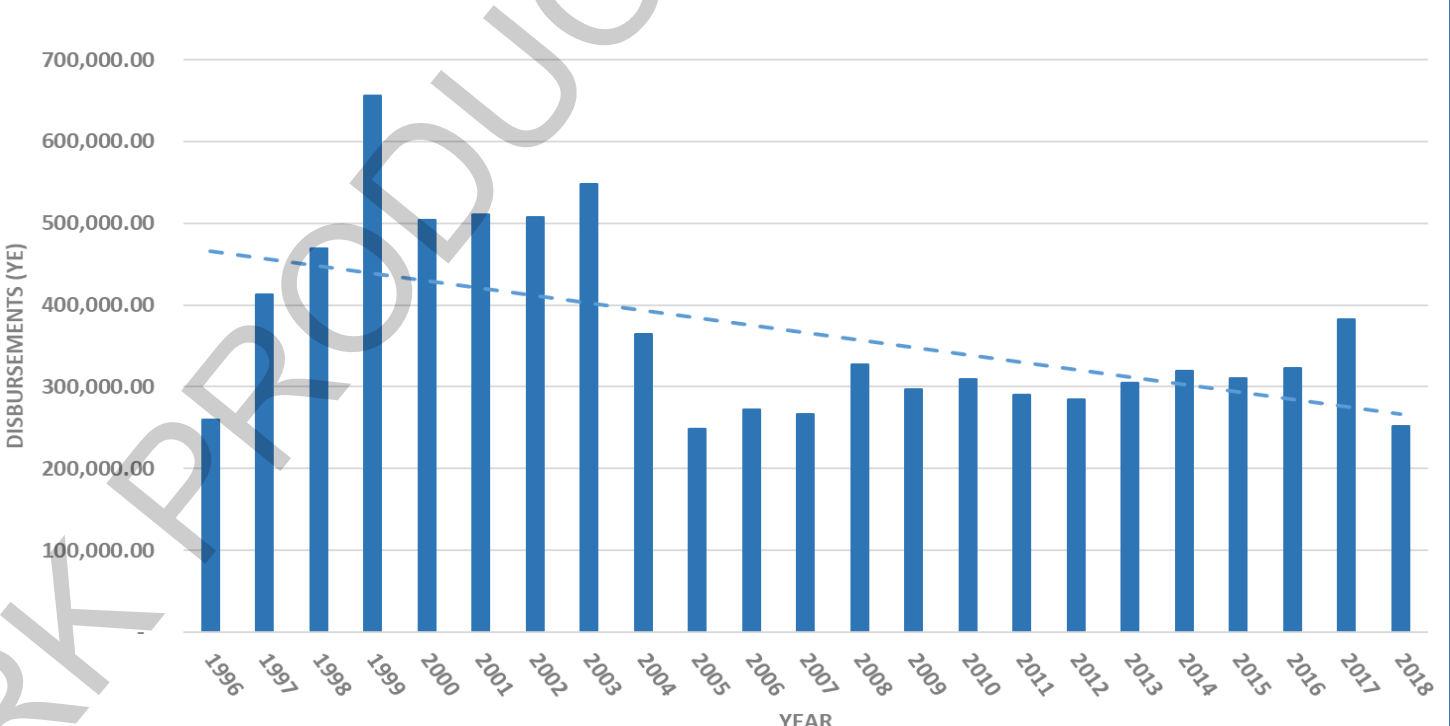
Account #	Account Description	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	TOTAL
		YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	
208.306.52362	Tree Contract (Remo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
208.306.52482	Senior Misc. Equip.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,668.02
208.306.52483	MISC PARKS	-	-	-	-	-	-	-	-	-	-	-	-	973.49	-	45,396.00
208.306.52484	P12 Park Equipment	-	-	-	-	-	-	-	-	-	-	-	-	7,918.83	-	12,145.61
208.306.52485	P34 Municipal Pools	-	-	-	-	-	-	-	-	-	-	-	-	-	-	24,050.89
208.306.52486	P81 Neighborhood Pa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	256,677.22
208.306.52487	P95 Tinapple Park L	-	-	-	-	-	-	-	-	-	-	-	-	-	-	30,270.00
208.306.52488	P96 Hamilton Park	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,834.00
208.306.52500	FIRST RESPONDERS PA	-	-	-	-	325.00	-	-	-	-	-	-	-	-	-	325.00
208.306.52501	DORA	-	-	-	-	-	-	-	-	-	-	-	-	-	5,327.48	5,327.48
208.306.52710	HERITAGE TRAIL	-	-	-	-	-	-	-	-	18,822.22	-	-	-	-	-	18,822.22
208.306.52900	AMENDED BUDGET	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
231.306.52179	Heritage Trail - Mi	-	-	-	-	-	-	-	-	2,100.00	-	-	-	-	-	2,100.00
304.306.52484	P12 Park Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	27,049.91
304.306.52485	P34 Pools	-	-	-	-	-	-	-	-	-	-	-	-	-	-	301,032.02
304.306.52486	P 35 -- Sr. Center	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
304.306.52487	P127 Community Cent	-	-	-	-	-	-	-	-	-	-	-	-	-	-	46,958.41
304.306.52488	P125 Bridge of Scio	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
304.306.52489	Gateway Beautificat	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,471.34

D SD footed the total of funds 208, 231,and 304 for the period 2005 through 2018. The total amount of disbursements for this period was \$35,467.02

POPULATION (YE)
1996 - 2018



SUPPLIES & MATERIALS (YE)
1996 - 2018



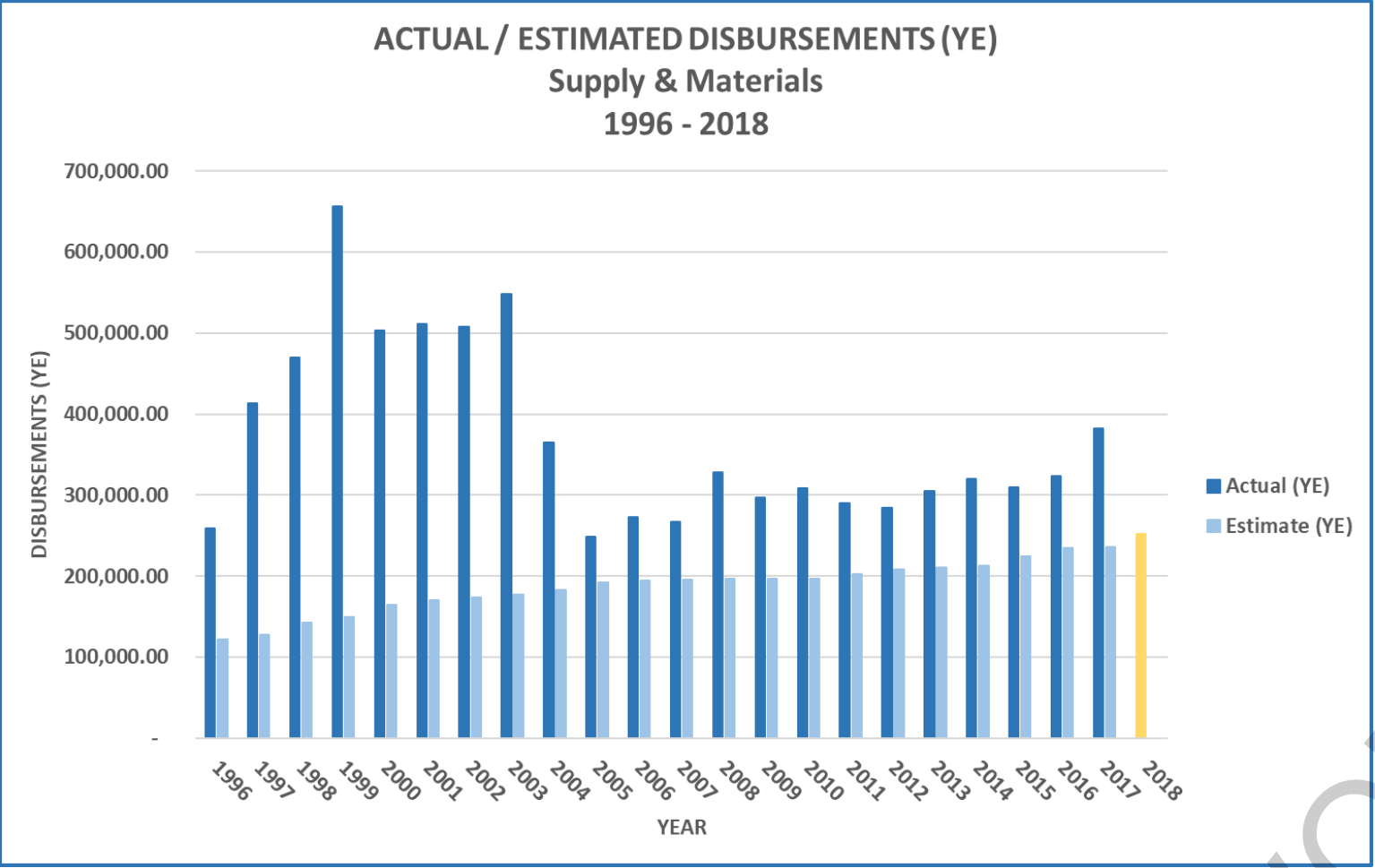
	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
City of Hilliard Population	17,903	18,774	20,908	22,058	24,230	24,969	25,555	25,996	26,844	28,158	28,557
%Δ in population	-	4.87%	11.37%	5.50%	9.85%	3.05%	2.35%	1.73%	3.26%	4.89%	1.42%

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	AVERAGE
	28,730	28,850	28,927	28,935	29,714	30,610	30,961	31,300	32,934	34,419	34,631	37,063	
	0.61%	0.42%	0.27%	0.03%	2.69%	3.02%	1.15%	1.09%	5.22%	4.51%	0.62%	7.02%	3.41%

SD performed a year-by-year comparison analysis of the City of Hilliard population and year-end supply and material disbursements for the period 1996 through 2018. From 1996 through 2018 the average annual supply and material disbursement increase was 2.15% and the corresponding annual average population increase was 3.41%.

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense
Total Supp. & Mat. Disbursements:	259,589.22	413,265.02	469,755.22	655,947.23	503,775.48	511,029.17	507,898.37	548,129.34	364,920.92	248,792.13	272,937.45	267,056.72
%Δ in Supp. & Mat. Disbursements:		59.20%	13.67%	39.64%	-23.20%	1.44%	-0.61%	7.92%	-33.42%	-31.82%	9.71%	-2.15%

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	TOTAL
	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	YTD Expense	
	327,827.84	297,088.44	309,168.10	289,923.89	284,370.52	305,526.94	319,629.74	310,205.23	323,538.78	382,842.73	252,353.29	8,425,571.77
	22.76%	-9.38%	4.07%	-6.22%	-1.92%	7.44%	4.62%	-2.95%	4.30%	18.33%	-34.08%	2.15%

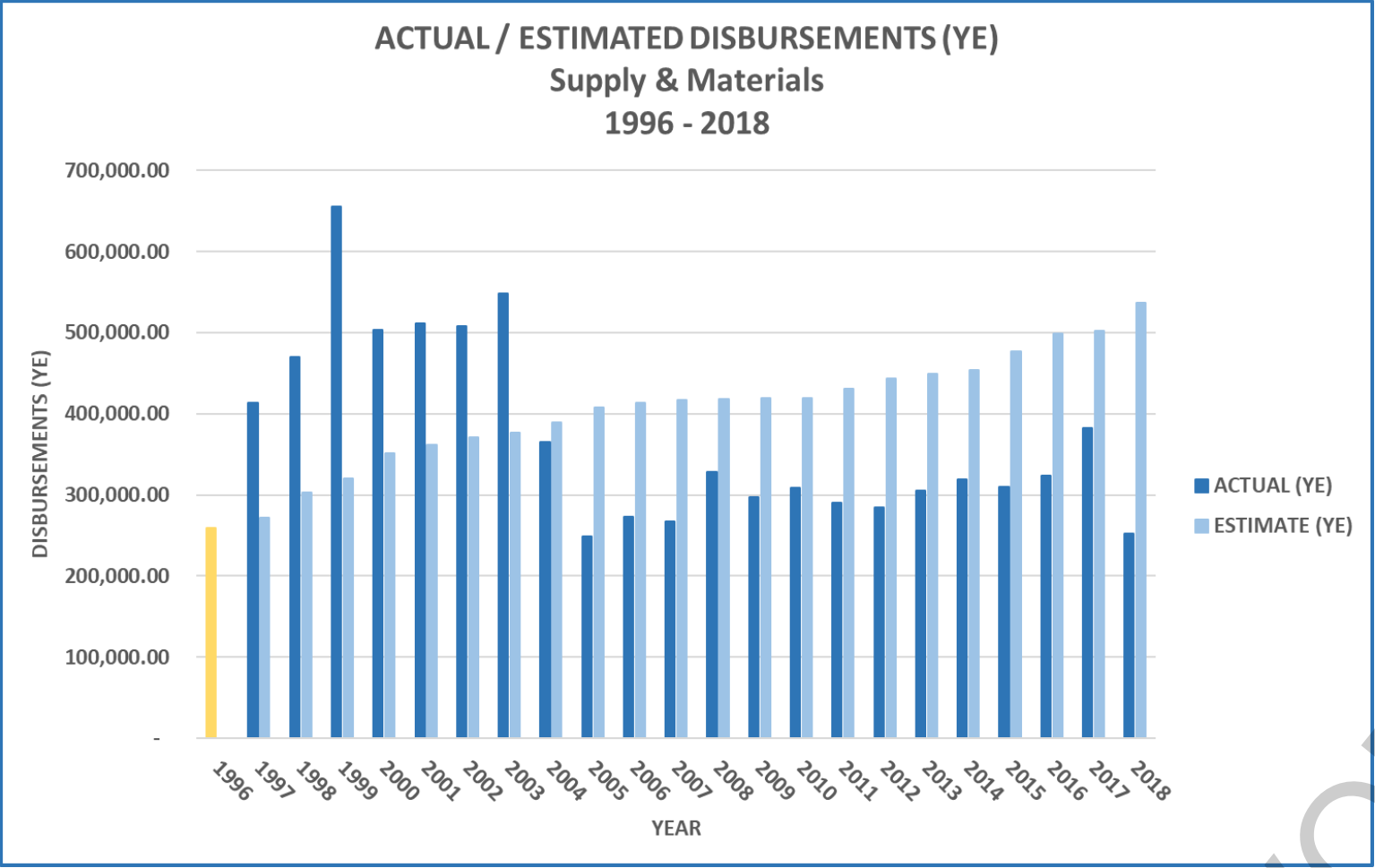


SD calculated a range of year-end disbursements for the period 1996 through 2018.

SD estimated past year-end supply and material disbursements for the period 1996 through 2018 beginning with the year 2018 and working backward. SD used 2018 as the base year to calculate estimated year-end supply and material disbursements. To determine the 2017 estimated year-end supply & material disbursements, SD divided the 2018 actual year-end supply and material disbursements (\$252,353.29) recorded in the CMI system by 1.0702 (1 plus the City of Hilliard population increase for the period 2017 through 2018). The 2017 estimated year-end supply and material disbursement estimate was used to determine the 2016 estimated year-end supply and material disbursements by dividing the 2017 estimated year-end supply & material disbursements (\$235,794.37) by 1.062 (1 plus the City of Hilliard population increase for the period 2016 through 2017). SD repeated this process for each year back to 1996. SD calculated the estimated year-end supply & material disbursements for the period 1996 through 2018 to be \$4,112,242.67. SD compared the estimated year-end supply and material disbursements to the actual year-end supply and material disbursements of \$8,425,571.77 recorded in the CMI system; a variance of \$4,313,329.10.

2018 - 1996	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Total Supp. & Mat. Disbursements (YE)	259,589.22	413,265.02	469,755.22	655,947.23	503,775.48	511,029.17	507,898.37	548,129.34	364,920.92	248,792.13	272,937.45
%Δ Change in Population	-	4.87%	11.37%	5.50%	9.85%	3.05%	2.35%	1.73%	3.26%	4.89%	1.42%
Estimated Supp. & Mat. Disbursements	121,897.34	127,827.77	142,357.68	150,187.76	164,976.40	170,008.08	173,998.01	177,000.68	182,774.51	191,721.23	194,437.93
Variance Between Estimated & Actual	137,691.88	285,437.25	327,397.54	505,759.47	338,799.08	341,021.09	333,900.36	371,128.66	182,146.41	57,070.90	78,499.52

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	TOTAL AMOUNTS
267,056.72	327,827.84	297,088.44	309,168.10	289,923.89	284,370.52	305,526.94	319,629.74	310,205.23	323,538.78	382,842.73	252,353.29	8,425,571.77
0.61%	0.42%	0.27%	0.03%	2.69%	3.02%	1.15%	1.09%	5.22%	4.51%	0.62%	7.02%	
195,615.84	196,432.90	196,957.17	197,011.64	202,315.67	208,416.32	210,806.20	213,114.37	224,239.90	234,350.91	235,794.37	-	4,112,242.67
71,440.88	131,394.94	100,131.27	112,156.46	87,608.22	75,954.20	94,720.74	106,515.37	85,965.33	89,187.87	147,048.36	252,353.29	4,313,329.10



SD calculated a range of year-end disbursements for the period 1996 through 2018.

SD estimated the year-end supply and material disbursements for the period 1996 through 2018 beginning with the year 1996 and working forward. SD used 1996 as the base year to calculate estimated year-end supply & material disbursements. This was as far back, historically, that year-end supply & material disbursements could be retrieved from the CMI system. To determine the 1997 estimated year-end supply and material disbursements, SD divided the 1996 actual year-end supply and material disbursements (\$259,589.22) recorded in the CMI system by 1.048 (1 plus the City of Hilliard population increase for 1996 through 1997). The 1997 estimated year-end supply and material disbursements was used to determine the 1998 estimated year-end supply and material disbursements by dividing the 1997 estimated year-end supply and material disbursements (\$272,218.51) by 1.113 (1 plus the City of Hilliard population increase for the period 1997 through 1998). SD calculated the total estimated year-end supply and material disbursements for the period 1996 through 2018 to be \$9,035,134.53. SD compared the estimated year-end supply and material disbursements to the actual year-end supply and material disbursements of \$8,425,571.77 recorded in the CMI system; a variance of (\$609,562.76).

1996 - 2018	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Total Supp. & Mat. Disbursements (YE)	259,589.22	413,265.02	469,755.22	655,947.23	503,775.48	511,029.17	507,898.37	548,129.34	364,920.92	248,792.13	272,937.45
%Δ Change in Population	-	4.87%	11.37%	5.50%	9.85%	3.05%	2.35%	1.73%	3.26%	4.89%	1.42%
Estimated Supp. & Mat. Disbursements		272,218.51	303,161.00	319,835.73	351,329.21	362,044.53	370,541.39	376,935.79	389,231.58	408,284.27	414,069.67
Variance Between Estimated & Actual	259,589.22	141,046.51	166,594.22	336,111.50	152,446.27	148,984.64	137,356.98	171,193.55	(24,310.66)	(159,492.14)	(141,132.22)

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	TOTAL AMOUNTS
267,056.72	327,827.84	297,088.44	309,168.10	289,923.89	284,370.52	305,526.94	319,629.74	310,205.23	323,538.78	382,842.73	252,353.29	8,425,571.77
0.61%	0.42%	0.27%	0.03%	2.69%	3.02%	1.15%	1.09%	5.22%	4.51%	0.62%	7.02%	
416,578.13	418,318.10	419,434.58	419,550.58	430,845.90	443,837.68	448,927.10	453,842.52	477,535.13	499,067.27	502,141.22	537,404.64	9,035,134.53
(149,521.41)	(90,490.26)	(122,346.14)	(110,382.48)	(140,922.01)	(159,467.16)	(143,400.16)	(134,212.78)	(167,329.90)	(175,528.49)	(119,298.49)	(285,051.35)	(609,562.76)